

Transmission Siting and Planning Legislation
Summary of Majority Staff Draft
9 March, 2009

Siting

- A national high priority transmission project is any project of 345 kilovolts or higher that is included in an interconnection wide transmission plan as defined in this section.
- No person may construct, acquire or operate any new high priority national transmission project or modify such a project without a certificate of public convenience and necessity issued by the Federal Energy Regulatory Commission.
- Provides for the Commission to condition applications for certificates, right of eminent domain, judicial review, and for a lead agency role for FERC in conducting environmental reviews under applicable Federal laws.

Planning

- Requires FERC to issue a request for applications for entities to assume the role of regional planning entity for the Eastern and Western Interconnections.
- FERC designates one entity to serve as the regional planning entity for each Interconnection.
- Not later than one year after designation, each regional planning entity shall submit to the Commission an Interconnection-wide transmission plan.
- Planning for the addition of high priority national transmission projects must take into consideration support for the development of new renewable generation, opportunities for reduction of emissions from regional power production, cost savings resulting from congestion reduction and other efficiencies, enhanced fuel diversity, reliability, and other national priorities.
- Failure to submit a plan by a regional planning entity will result in FERC assumption of the role of planning coordinator. States or subregions may submit subregional plans which FERC must consider.
- The Commission may impose a regional surcharge to fund activities of the regional planning entities.
- The plan does not apply to Alaska, Hawaii, or ERCOT, unless such entities voluntarily elect to participate.

Cost Allocation

- The regional planning entity may, after consultation with states, file a cost allocation plan with the Commission to allocate costs for the projects developed pursuant to the plan.
- The Commission shall approve the cost allocation plan, unless it finds it to result in rates that are not just and reasonable and unduly discriminatory or preferential, would unduly inhibit the development of renewable generation projects, would not allow the transmission provider the opportunity to recover prudently incurred costs including a reasonable return on investment.
- If the regional entity is unable to submit a plan, FERC will assume the allocation of costs, providing for costs for high priority national transmission projects to be allocated broadly within the interconnection, or a subregion of it.
- It is the policy of the United States that long-term transmission rights, of firmness and duration to support generation development shall be available to new renewable generation facilities.